

# CALFED BAY-DELTA WATERSHED PROGRAM

## BDAC Watershed Work Group Meeting Summary

**Meeting Date:** Friday, October 20, 2000

**Meeting Location:** Jones & Stokes  
2600 V Street  
Sacramento, CA

**Meeting Attendees:** See Attachment A

### Introductions

Watershed Work Group (Work Group) Co-Chair Martha Davis began the meeting with introductions. A list of attendees (Attachment A) are included with this summary.

### Recap from Previous Work Group Meeting (7/21/00)

#### *Letter to BDAC*

Ms. Davis explained that at the July Work Group meeting a discussion was raised regarding the future of the Work Group. The consensus was that the continuation of the Work Group was needed for a number of reasons. Ms. Davis announced that a letter addressed to the Bay-Delta Advisory Council (BDAC) would be prepared illustrating those reasons. After the meeting, Ms. Davis and Work Group co-chair, Robert Meacher, drafted the letter and sent it to BDAC for consideration. The Work Group participants were also notified of the letter and a copy was posted on the Watershed Program's webpage discussion board: [www.baydeltawatershed.org](http://www.baydeltawatershed.org)

#### *Update on BDAC and BDAC Work Groups*

John Lowrie (Watershed Program Manager) announced that BDAC will have one more meeting on November 15, 2000. The BDAC Work Groups also are continuing to meet. Mr. Lowrie stated that the CALFED Record of Decision (ROD) specifically states that work groups, such as the Watershed Work Group and Delta Drinking Water Quality Work Group, are necessary for implementing the Program.

### Record of Decision

The ROD was signed on August 28, 2000. The ROD and its appendices are quite large and cover a large amount of information. One element of the ROD discusses public and local involvement. The ROD states that public involvement in the CALFED Program will be provided through advisory committees and groups, public meetings and workshops, newsletters, and other publications that provide information. Mr. Lowrie added that there will need to be some

discussion on how CALFED actually goes about engaging people in an effective way, both at a local level and at the broader level.

The ROD also states that the Secretary of the Interior will charter a public advisory committee to assist the Policy Group. Membership would include qualified representatives of Indian tribes and stakeholder groups, similar to the current BDAC. The ROD also explains that until some permanent governance structure is developed, i.e. a Commission, the current Policy Group will function as the primary forum where decisions are formulated. The ROD indicates that the Policy Group will meet a minimum of four times a month, including at least once a year with the public advisory committee. Mr. Lowrie stated that some people may have a concern with such a meeting schedule, believing that one meeting open to the public is not enough. He added that for some time during the planning stage, the Policy Group met behind closed doors; there were no public Policy Group meetings at all. During the last couple of years of the Program the Policy Group began to meet in public forums. However, with the language in the ROD it appears that there has been somewhat of a turn in terms of Policy Group behavior and perhaps a recognition that there are some things that the agencies need to do behind closed doors.

#### ***Watershed Program Commitments Identified in the ROD***

The ROD also lays out a number of commitments that the Watershed Program is responsible for. These commitments include:

- # Establishing a grant program to solicit, evaluate, and fund local projects that contribute to achieving CALFED goals.
- # Developing performance measures and monitoring protocols consistent with CALFED's Science Program (by end of 2002).
- # Establish an Interagency Watershed Advisory Team (IWAT) to provide technical assistance and to coordinate and expedite permit reviews and approvals.

Regarding the first commitment to establish a grant program, Mr. Lowrie explained that the Watershed Program's annual budget is anticipated to be \$40 million. The budget would stem from federal and state funds on an equal basis.

A discussion was raised regarding the second commitment to establish performance measures and monitoring protocols. A Work Group participant commented that watershed monitoring protocols are very important. There needs to be consistency among the protocols. It would be helpful if consistent protocols were developed before the end of 2002. Mr. Lowrie agreed, but explained that it will be challenging given the level of support staff that the Watershed Program currently has. Other participants pointed out that there will be some overlap of monitoring protocols with the other CALFED programs, particularly the Ecosystem Restoration Program and Drinking Water Quality Program. Therefore, the Watershed Program should focus on those issues that are not traditionally encompassed in monitoring such as social and economic. A suggestion was made to include "non-typical" scientists into the discussions to help develop performance measures that will address these issues. It was also mentioned that "integrated monitoring" needs to be done. Otherwise the results of single objective monitoring may compete with other single objectives. Another comment was made regarding the lack of funds allocated

to conduct monitoring. It is not just a matter of setting up protocols, but who is going to carry out the monitoring and who is going to pay for it. The Work Group agreed that the Watershed Program should immediately form a sub-group of interested individuals from the Work Group to help compile information related to monitoring protocols. For example, the sub-group could begin by compiling information on how to establish baseline data. Ms. Davis suggested that the Work Group include some time on the next agenda to discuss a long-term strategy for monitoring. It was also recommended that one or more of the Science Program (formerly known as CMARP) staff attend. Currently, the Science Program staff consist of Sam Launa who is overseeing the program, Kim Taylor, and Bellory Fong.

Mr. Lowrie explained that the third commitment to establish an Interagency Watershed Advisory Team (IWAT) is already underway. Although IWAT is currently in place, the role of IWAT has been to advise the Watershed Program with an agency perspective. Now, in order to fulfill the new role of providing technical assistance and helping to coordinate environmental compliance, it may be necessary to include additional agency representatives, such as someone from the U.S. Army Corps of Engineers, National Marine Fisheries Service, and other appropriate agencies. The new IWAT should be in place by the end of the year. Ms. Davis suggested that IWAT and the Work Group continue their tradition of including members of IWAT in Work Group meetings, and Work Group members in IWAT meetings.

### ***Watershed Program Management***

Mr. Lowrie turned the discussion to long-term management of the Watershed Program. The ROD states that Watershed Program staff will initially assume responsibility for the Watershed Program. However, it further states that the State Water Resources Control Board (SWRCB), Resources Agency, and Natural Resources Conservation Service (NRCS), with input from other interested agencies and stakeholders, will develop a recommendation in a MOU to the CALFED Policy Group by February 1, 2001, on the future management of the Watershed Program.

A Work Group participant asked how issues not specifically tasked to the Watershed Program, such as environmental justice, will be addressed. Mr. Lowrie explained that the ROD includes a discussion on environmental justice issues. The discussion commits CALFED to work with environmental justice groups to develop a plan. The Deputy Director is charged with overseeing this task. Ms. Davis recommended that environmental justice be addressed in the Watershed Program Request for Proposals (RFP). She added that it is important that CALFED not only put a plan together to address these issues in the future, but start acting on them now.

A question was raised regarding the integration of the Watershed Program RFP with RFPs of other CALFED programs. Mr. Lowrie responded that CALFED program managers will be discussing this issue over the next few weeks. He added that some headway to coordinate watershed RFPs has been made. For example, the Prop 13 RFP includes a discussion on CALFED funding. Although it may be a small first step, it is a start in coordinating RFPs for watershed activities.

A Work Group participant made a suggestion regarding integrating activities within the same watershed. It was recommended that if CALFED receives more than one pre-proposal in the same watershed, the applicants should be notified of the other proposed activities. This would allow them to coordinate their efforts.

## **Outstanding Policy Issues for the Watershed Program RFP**

Mr. Lowrie began a discussion on some of the outstanding issues related to the Watershed Program RFP. Some of the outstanding issues include: (1) whether or not to apply a funding cap in the Watershed Program RFP, and (2) how to address cost-sharing.

### ***Comments on Funding Caps***

- # If a funding cap is not included in the RFP, the Watershed Program will run out of money quickly and will only be able to fund a few projects.
- # Instead of a funding cap have weighted criteria for projects that offer more "bang for the buck"

### ***Comments on Cost Sharing***

- # Cost sharing can be very burdensome. Local watershed groups spend a lot of time devising creative ways to develop matching contributions in order to comply with the requirement.
- # If cost sharing is used as an incentive then it will work towards integration.
- # Matching funds (in-kind or cash) equal a commitment to the project. By allowing local watershed groups to be creative and flexible often helps build partnerships.
- # Cost sharing can be discriminatory. Many start-up groups do not have the capacity for matching funds.
- # If cost sharing is necessary, it should be low.
- # Make it easy for small groups to apply; make it simple.
- # The RFP should use a weighted criteria. Give the groups flexibility to leverage funds. Perhaps a "hardship" category could be included to allow the groups to make a claim as to why they can not come up with matching funds.
- # Cost sharing should be an option for watershed groups.
- # Develop a mini-grant program (as a sub-portion of the RFP) focused on small groups. This has proven to be a good model to help small groups get started.
- # Do not require cost sharing, but have a "sliding scale."

### ***Comments on Both Issues and Related Issues***

- # Both funding caps and matching funds need to be determined based on geographic scope and type of project. Need to remember that there are federal guidelines for cost sharing with federal funds. It is necessary to create a paper trail for audit purposes which can be burdensome and time consuming.

- # Two of the Watershed Program priorities - integration with other CALFED programs, and watershed assessments - should be elevated in the criteria.
- # The RFP should mention that funds should be set aside for auditing needs.
- # The RFP should state whether or not comprehensive monitoring is required. If so, monitoring results need to be published so others can make use of the data.
- # The criteria should reflect the promotion of coordinating efforts within a region. Encourage regional collaboration.

Ms. Davis concluded the discussion and thanked everyone for their comments. She reminded the Work Group that they are pioneering a new path to distribute funds for watershed activities, so the group should not be afraid to push the envelope a little. She added that a recommendation will be presented at the next Work Group meeting.

Mr. Lowrie mentioned that another outstanding issue for the Watershed Program RFP was the issue of when to release it. Approximately \$125 million in state funds has been allocated to the CALFED Program. However, these funds have not been appropriated by the legislature. It is expected that they will be appropriated when the legislature reconvenes in January 2001. So, the question for the Work Group is, should the Watershed Program be released in December 2000 with the assumption that funding will come through in early 2001, or should the release be put on hold until the funds are appropriated? After some comments from the meeting participants, the consensus of the Work Group was that the Watershed Program RFP should be released in December 2000 with the assumption that funds will be appropriated early 2001. The RFP should include a caveat regarding the status of the funds.

### **Long-Term Implementation of the Watershed Program**

Ms. Davis introduced Patrick Wright, Deputy Director of the Resources Agency and the new Executive Director of CALFED. Ms. Davis asked Mr. Wright what the future holds for CALFED and the Watershed Program. Mr. Wright first stated that he was happy to see the number of people attending the Work Group meeting. He assured the group that CALFED is alive and well, and committed to meeting all milestones in the Framework document despite the loss of federal funds. CALFED management is hopeful that the state appropriations will be adequate to carry the CALFED Program through the first year. The Program is currently on track and on schedule, but we all will need to work extra hard, particularly this coming year, to convince Congress to continue to fund the program. Mr. Wright stated that he hopes that the Work Group will be a major part of the process. The Watershed Program, more than any other program, has a broader network of folks out in the field that are helping to spread the word on how effective the program can be for local communities.

Mr. Wright recognized that the Watershed Program has not been the highest priority for CALFED in the past. However, now that a plan is in place to address the more controversial



issues such as water allocations, more time may be spent on other programs, such as the Watershed Program, that were neglected more than they should have been in the past. Mr. Wright added that he is absolutely committed to try to turn CALFED into a program in which there is much less top-down agency-driven decision-making and more local decision making that CALFED can support. Mr. Wright explained that he wants CALFED to be in position of funding locally-based collaborative efforts. He concluded by stating that he is committed to working with the Work Group to make the program a success.

Ms. Davis then turned the discussion to long-term implementation of the Watershed Program. As Mr. Lowrie mentioned, the ROD identified a process for the Resources Agency, SWRCB, and NRCS to develop a MOU for how the agencies will cooperatively manage the Watershed Program. The MOU must be in place by February 1, 2001. Ms. Davis introduced Maria Rea (Resources Agency), Stan Martinson (SWRCB), and Luana Kiger (NRCS) and asked them how they see the MOU coming together and how the Work Group can be helpful to the process.

Maria Rea (Resources Agency) began the discussion by explaining that the negotiations for developing the MOU have just begun. She explained that she was asked by Secretary Nichols to lead this effort on behalf of the Resources Agency. However, Ms. Rea's role is broader than CALFED; she normally serves in more of an advisory capacity role for statewide watershed issues. Ms. Rea explained that she also helps lead the California Biodiversity Council (CBC) Watershed Work Group which focuses on statewide watershed issues. Much of the group's attention lately has been focused on funding issues B how to deliver funds of all kinds more efficiently to the watershed level. Ms. Rea asked if there may be an opportunity to unite the Work Group with the CBC Watershed Work Group at least a little more than it has been in the past. There is some overlap in the two work groups, both in participant and issues. For example, both groups will be asked to provide input on the implementation of AB 2117.

Regarding the MOU, part of the challenge from the Resource Agency's perspective is with the short timeline to put together an administrative structure for moving forward. Ms. Rea suggested that the MOU agencies and stakeholders may want to take a step back and try to look at watershed management statewide rather than just within CALFED's geographic scope. If the agencies and stakeholders wish to address larger, statewide issues it will call for a much broader MOU. Ms. Rea reminded the Work Group that the MOU is at the beginning stages, and is open to discussion. She is looking for feedback from the Work Group on how to proceed.

Mr. Martinson and Ms. Kiger also requested that the Work Group provide input in the MOU process.

### ***Questions and Comments***

A meeting participant commented that the ROD states that the MOU will be developed with input from interested agencies and stakeholders. Has such a process been designed yet? Ms. Kiger responded that the MOU agencies thought that it would be best if they received input from the Work Group before a process was developed.

Ms. Davis explained that over the last three years, the Work Group has discussed how to have better coordination among watershed programs. The MOU can be a vehicle for improving the coordination. The hard part will be designing the process. Ms. Davis suggested that the Work

Group be advisory to the broader MOU process even if, technically, the group is specific to CALFED. She added that she believes that the group has always had a broader perspective than the CALFED boundaries. Ms. Davis then asked the Work Group if they would like to serve an advisory role on larger issues beyond CALFED.

A Work Group participant agreed with Ms. Davis and stated that the Work Group did move very quickly beyond the boundaries of CALFED. The Work Group has dealt with watershed policy at a larger level than that of CALFED. It is also agreed that the Work Group should provide advice on larger issues. However, the concept of "meaningful participation" needs to be shared with all involved parties during the MOU process. Part of the reason why the Work Group continues to have such high levels of participation is that the participants see results from the Work Group's recommendations and works very closely with Watershed Program staff. The Work Group process has been very positive and, in turn successful.

Ms. Rea was asked to clarify what the MOU would entail. She responded that, in its simplest form, the MOU must address the administrative aspects of managing the funds. However, the Work Group knows that watershed management is more than just funds. The quandary for the Resources Agency is if the MOU is going to address watershed management should it be within CALFED's boundaries or statewide? No one has the answer to that yet; but these are the types of issues that everyone needs to be thinking about.

Ms. Davis suggested that a straw proposal for the MOU be developed and presented to the Work Group at the next WWG meeting.

### **Assembly Bill 2117 (Wayne)**

Ms. Davis asked Laurel Ames, Sierra Nevada Alliance, to lead a discussion regarding Assembly Bill 2117 (AB 2117). Ms. Ames stated that the Work Group has been following the AB 2117 process for some time. The legislation was originally drafted to develop a statewide management program that would be jointly operated by the Resources Agency and CAL EPA. It had very broad support, including the counties, environmental groups, water agencies, and many others. Amendments were made to the original bill over time as the process unfolded. It went through all of the policy committees and Senate appropriations. However, the language was changed at the last minute. The author of the bill was given little option to either accept the revised language or have the bill vetoed. Therefore, AB 2117 is now entirely different from its originally intentions. Ms. Ames stated that she has concerns with how the process unfolded, namely, how the legislation language changed in the final hours, and if the process was related to the desire to develop a statewide management program.

Ms. Rea responded and asked that the Work Group help to support the legislation as it is because that is what we have to work with. In retrospect though, Ms. Rea explained that the final days of the legislative session "are what they are." The primary problem with the legislation from an administrative perspective is that it was primarily a funding bill that did not have any funding attached to it. The Department of Finance formally opposed the bill from the very beginning. The Resources Agency did try to mediate that decision to some degree, but ultimately were unable to. There were also broader concerns, namely was it appropriate to start another funding program for watershed management when there are many existing programs in place. Furthermore, those existing programs are not as coordinated as they could be. Ms. Rea stated

that it was a bit of an uphill battle for Wayne's staff from the very beginning. She also added that AB 2117 is not the end. It in no way sets the stage for the future of watershed management for this administration.

Mr. Martinson explained that the bill would select three watersheds throughout the state in order to evaluate the existing collaborative and cooperative mechanism between the agencies and stakeholders. A report will be submitted to the Legislature in February 2002 that evaluates the pilot projects and makes recommendations for improving coordination at all levels. Ms. Rea explained that the Resources Agency and the SWRCB will develop criteria for selecting the three pilot watersheds and a self-nomination process will be conducted.

Ms. Davis suggested that when a straw proposal of AB 2117 is developed it should be presented to the WWG for comment. She also suggested that a sub-group be re-assembled to address the issues that were in the original AB 2117 bill.

### **Next Work Group Meeting**

The next Work Group meeting was scheduled for Friday, November 20, in Sacramento.



**Meeting Participants**

<b>Name</b>	<b>Affiliation</b>
Allen, Gary	Leadership Auburn
Barris, Lynn	Sacramento River Restoration Program
Baumgartner, Steve	Department of Fish and Game
Bobker, Gary	The Bay Institute
Breninger, David	Placer County Water Agency
Brown, David	CA State University Chico
Buzzard, Diane	U.S. Bureau of Reclamation B Sacramento
Carter, Kristin	CA State University Chico
Chadima, Carole	Middle Yuba River Area Citizens League
Chen, Z.Q.	UC Davis
Cornelius, James	Calaveras County Water District
Cornwall, Caitlin	Sonoma Ecology Center
Coulter, Ken	State Water Resources Control Board
Crooks, Bill	City of Sacramento
Fitch, Steve	Office of Assembly Member Dick Dickerson
Fox, Dennis	Interested Citizen
Gordon, Nina	Resources Agency
Grimes, Russ	U.S. Bureau of Reclamation B Fresno
Guzman, Martha	United Farm Workers Coalition
Heiman, Dennis	Regional Water Quality Control Board
Henly, Russ	Department of Forestry
Hoyos, Renee	UC Davis B ICE
Jerauld, Frank	Amador Resource Conservation District
Johnson, Mel	City of Sacramento
Kavvas, M.L.	UC Davis
Keller, Mary	Sutter County
Kiger, Luana	USDA NRCS
Knecht, Mary Lee	Jones & Stokes/CALFED Watershed Program Team
Lachak, Eugenia	CCPDR - CALFED Bay-Delta Program
Lavelle, Jane	City and County of San Francisco
Legacki, Laura	UC Davis B ICE
Lopez, Gaye	Colusa Basin District
Lossius, Bob	Lake County B Department of Public Works
Lowrie, John	CALFED Watershed Program
Marcotte, Barbara	CALFED Bay-Delta Program
Marsh, Glenda	Department of Water Resources
Martinson, Stan	State Water Resources Control Board
McKee, Sunny	Department of the Interior
Namamura, Gary	Shasta-Tehama Bioregional Council
Ohlson, John	Yolo County
Olsen Jenna	Tuolumne River Preservation Trust
Owens, William	William L. Owens & Associates
Prange, Paul	City of San Jose
Ramirez, Tim	Resources Agency

Rea, Maria  
Reed, Rhonda  
Schmitt, Gary  
Shulte Joung, Katie  
Sime, Fraser  
Smith, Lynda  
Standish-Lee, Peter  
Swearingen, Vieva  
Thomas, Jeanette  
Tupper, Julie  
Turek, Steve  
Ward, Kevin  
Wessman, George  
Wright, Cary  
Wright, Patrick

Resources Agency  
Department of Fish and Game  
U.S. Forest Service  
Governor's Office of Planning and Research  
Department of Water Resources  
Metropolitan Water District  
URS Group, Inc.  
Cottonwood Creek Watershed Group  
Stockton East Water District  
U.S. Forest Service  
Department of Fish and Game  
UC Davis B ICE  
Wessman Industries  
Sweetwater Authority  
CALFED Bay-Delta Program